

SENATE BILL 372

By Massey

AN ACT to amend Tennessee Code Annotated, Section 9-8-108, relative to incentive programs.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 9-8-108(a)(10), is amended by deleting the subdivision and substituting instead the following:

(10) Is authorized to establish incentive programs for state departments, agencies, and institutions, including public institutions of higher education, for the purpose of reducing liabilities to the risk management fund created pursuant to § 9-8-109. Such incentive programs may include, but are not limited to, differential premium rates based on participation in loss control programs established by the board of claims; increased or decreased deductibles based on participation in loss control programs established by the board; and the imposition of fines and penalties. An incentive program established pursuant to this subdivision (a)(10) may include, but need not be limited to, policies and procedures for the effective and efficient administration of claims. Such policies and procedures may establish the timeframe and content for the agency response relative to claims and the imposition of fines and penalties for noncompliance. Any such premiums, deductibles, fines, or penalties must be paid from the budget of the respective department, agency, or institution and deposited into the risk management fund; and

SECTION 2. This act takes effect upon becoming a law, the public welfare requiring it.